

SCHEDULE A

Form 740

Department of Revenue

KENTUCKY ITEMIZED DEDUCTIONS

► Attach to Form 740. ► See instructions.

2004

Enter name(s) as shown on Form 740, page 1.

Your Social Security Number

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Dollars

Cents

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Medical and Dental Expenses

Do not include expenses reimbursed or paid by others.

1. Medical and dental expenses 1
2. Enter 7.5% (.075) of the amount from Form 740, line 13 .. 2
3. **Total medical and dental.** Subtract line 2 from line 1. If zero or less, enter -0- .► 3

Taxes

Note:
Sales and use taxes are not deductible.

4. Local income taxes (do not include state income tax) .. 4
5. Real estate taxes 5
6. Personal property taxes 6
7. Other taxes (list) 7
8. **Total taxes.** Add lines 4 through 7. Enter here► 8

Interest Expense

Note:
Personal interest is not deductible.

9. Home mortgage interest and points reported to you on federal Form 1098 9
10. Home mortgage interest not reported to you on federal Form 1098 (if paid to an individual, show that person's name, identifying number and address) 10
11. Points not reported to you on federal Form 1098 (see instructions for special rules) 11
12. Investment interest (attach federal Form 4952 if required) .. 12
13. **Total interest.** Add lines 9 through 12. Enter here► 13

Contributions

Note:
For any contribution of \$250 or more, see instructions.

14. Contributions by cash or check 14
15. Other than cash or check (attach federal Form 8283 if over \$500) 15
16. Artistic charitable contributions deduction (attach copy of appraisal) 16
17. Carryover from prior year 17
18. **Total contributions.** Add lines 14 through 17. Enter here► 18

Casualty and Theft Losses

19. Enter amount from attached federal Form 4684, Section A, line 16 19
20. Enter 10% (.10) of the amount from Form 740, line 13 .. 20
21. **Total casualty or theft loss(es).** Subtract line 20 from line 19. If zero or less, enter -0-► 21

Job Expenses and Most Other Miscellaneous Deductions

22. Unreimbursed employee expenses—job travel, union dues, job education, etc. (attach Form 2106 or 2106-EZ if applicable) list 22
23. Tax preparation fees 23
24. Other (investment, safe deposit box, etc.) list 24
25. Add the amounts on lines 22, 23 and 24. Enter here .. 25
26. Enter 2% (.02) of the amount from Form 740, line 13 26
27. **Total.** Subtract line 26 from line 25. If zero or less, enter -0-► 27

Other Miscellaneous Deductions

28. Other (see instructions) list► 28

Total Itemized Deductions

29. Add lines 3, 8, 13, 18, 21, 27 and 28. Enter here► 29

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★ If single or married filing jointly and your income for Form 740, Column B does not exceed \$142,700, enter total itemized deductions on Form 740, line 14, Column B.

★ All others go to page 2.



If the amount on Form 740, line 13, exceeds \$142,700 (\$71,350 if married filing separately on a combined return or separate returns), skip Part I and complete Part II.

PART I—DIVIDING DEDUCTIONS BETWEEN SPOUSES

Use this schedule if married filing separately on a combined return.

1. Total itemized deductions from page 1, line 29 _____
2. Percent of income (Form 740, line 13, Column A) to total income (Form 740, total of line 13, Columns A and B) _____ %
3. Percent of income (Form 740, line 13, Column B) to total income (Form 740, total of line 13, Columns A and B) _____ %
4. Percent on line 2 times total deductions entered on line 1 (enter here and on Form 740, line 14, Column A) _____
5. Percent on line 3 times total deductions entered on line 1 (enter here and on Form 740, line 14, Column B) _____

PART II—ITEMIZED DEDUCTIONS LIMITATION SCHEDULE

Use this schedule if the adjusted gross income on Form 740, line 13, exceeds \$142,700 (\$71,350 if married filing separately on a combined return or separate returns).

	A. Spouse	B. Yourself (or Joint)
<ul style="list-style-type: none"> If married filing separately on a combined return, enter in Column A the percent of income (Form 740, line 13, Column A) to total income (Form 740, total of line 13, Columns A and B); enter in Column B the percent of income (Form 740, line 13, Column B) to total income (Form 740, total of line 13, Columns A and B). If single, married filing a joint return or married filing separate returns, enter 100% in Column B. 	_____ %	_____ %
1. Multiply the amount on Schedule A, line 29, by the percent of income shown in Columns A and/or B	1. _____	1. _____
2. Add the amounts on Schedule A, lines 3, 12 and 21, plus any gambling losses included on line 28 and multiply by the percent of income shown in Columns A and/or B	2. _____	2. _____
<i>Note: Be sure your total gambling losses are clearly identified on line 28.</i>		
3. Subtract the amount on line 2 from the amount on line 1. (If the result is zero, STOP HERE ; enter the amount from line 1 above on Form 740, line 14.)	3. _____	3. _____
4. Multiply the amount on line 3 above by 80% (.80) ...	4. _____	4. _____
5. Enter the amount from Form 740, line 13	5. _____	5. _____
6. Enter \$142,700 (\$71,350 if married filing separately on a combined return or separate returns)	6. _____	6. _____
7. Subtract the amount on line 6 from the amount on line 5. (If the result is zero or less, STOP HERE ; enter the amount from line 1 above on Form 740, line 14.)	7. _____	7. _____
8. Multiply the amount on line 7 above by 3% (.03)	8. _____	8. _____
9. Compare the amounts on lines 4 and 8 above. Enter the smaller of the two amounts here	9. _____	9. _____
10. Total itemized deductions. Subtract the amount on line 9 from the amount on line 1. Enter the result here and on Form 740, line 14	10. _____	10. _____